

Homecomings Financial Receives Moody's Highest Primary Servicer Designation; Rating Reflects Ability to Service a Wide Range of Non-Conforming Mortgages



GMAC-RFC LOGO

GMAC-RFC (Residential Funding Corporation) logo. GMAC-RFC, a wholly owned subsidiary of General Motors Acceptance Corporation, is America's largest private-label issuer of mortgage-backed securities and a leading warehouse lender. The company leverages its strengths in securitization, lending and investment to offer a broad portfolio of innovative capital solutions. The company is headquartered in Minneapolis and operates in the United States, Europe, Latin America and Japan. Contact: <http://www.rfc.com>. (PRNewsFoto)[TK]

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MINNEAPOLIS, May 20 /PRNewswire/ -- Homecomings Financial (SM), a wholly owned subsidiary of Residential Funding Corporation (GMAC-RFC), today announced it has received top servicing designations from Moody's Investor Services.

(Photo: <http://www.newscom.com/cgi-bin/prnh/20000324/MNF002>)

Moody's assigned Homecomings Financial its highest rating, SQ1, as a primary servicer of residential prime, subprime and second-lien mortgage loans. Homecomings Financial also received Moody's SQ2 rating as a special servicer of residential mortgage loans.

"Moody's designations are attributed to our strength in payment collections, above average foreclosure timeline management and overall stability," said Chris Gilson, president and managing director of Homecomings Financial. "We strive to provide top-quality service for our borrowers by investing in the best associates and technology and by remaining adaptable to market conditions."

Moody's SQ ratings provide an independent view of a loan servicer's ability to prevent or mitigate mortgage pool losses across changing markets. The rating scale ranges from SQ1 (strong) to SQ5 (weak).

Moody's ratings were also based on Homecomings Financial's experienced leadership team, well-trained staff, extensive technology resources and performance in servicing special loan products, such as second liens, high-loan-to-value (HTLV), home-equity line-of-credit (HELOC) and home equity CES. The ratings were also attributed to Homecomings Financial's stability based on access to capital and liquidity from parent company GMAC-RFC.

In the last year, Homecomings Financial has also been given top servicer ratings by rating agency Fitch and top master servicing designations by rating agency Standard & Poor's (S&P).

Moody's servicer ratings are differentiated in the marketplace by focusing on performance measurement. Every rating incorporates an assessment of delinquency transition rates, foreclosure timeline management, loan cure rates, recoveries, loan resolution outcomes and REO management -- all critical indicators of a servicer's ability to get maximum returns from mortgage portfolios.

"Homecomings Financial is very strong in payment collections, an area of particular importance for primary servicers," said Thomas Crowe, an analyst at Moody's. "In addition, as a special servicer, Homecomings Financial has above-average foreclosure timeline management and the ability to minimize losses on defaults that do occur."

Moody's servicer ratings also consider the company's ability to maintain its focus on high-quality servicing in an economic downturn. Servicing operations can be stressed by increasing the number of delinquent loans while at the same time increasing the need for liquidity. Ratings are assigned with

the understanding that a servicer's effectiveness can have a strong positive or negative impact on credit enhancement levels, particularly within lower-rated securities. For this reason, servicer ratings remain valid for a maximum of one year.

ABOUT HOMECOMINGS FINANCIAL

Homecomings Financial, the loan servicing unit of GMAC-RFC, services over 540,000 loans and is comprised of three fully integrated servicing sites (Dallas, Texas; San Diego, Calif.; and Blue Bell, Pa.), with the Dallas office serving as platform headquarters.

ABOUT GMAC-RFC

GMAC-RFC, a wholly owned subsidiary of GMAC Financial Services, is a leading private issuer of mortgage-backed securities and home equity loan asset-backed securities, and the No. 1 warehouse lender in the United States. The company leverages its strengths in securitization, lending and investment to offer a broad portfolio of innovative capital solutions. The company is headquartered in Minneapolis and operates in the United States, Europe and Latin America. <http://www.gmacrfc.com>

SOURCE GMAC Residential Funding Corporation

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